



Policy Agenda 2015

The Alliance of Arizona Nonprofits was formed in 2004 to enhance the well-being of all people and communities in Arizona by serving, supporting, protecting and promoting Arizona's nonprofits. Each year, we adopt a policy agenda, outlining the public policy issues most important to the 20,000 nonprofits in Arizona that we serve and their 150,000 staff and 500,000 volunteers. Overall, the Alliance supports public policy which contributes to a sound economy, promotes economic well-being for all residents, protects vulnerable populations, preserves our unique land and climate, and advances our common efforts to solve public problems. It is those overarching public goals which drive the work of Arizona's nonprofits, and the Alliance urges policy makers to effectively engage nonprofits as partners in addressing public policy issues. To that end, we and our members stand behind the priorities outlined below.

Priority 1: Nonprofits and Government Working Together

Nonprofit-Government Partnership

The Alliance recognizes that the partnership between government and nonprofits can be reformed to promote innovation, collective models of impact and streamlined processes, all of which serve the long-term interests of taxpayers and communities. The Alliance supports efforts to transform the way in which state agencies and nonprofits interact, with a long term goal of maximizing collective impact for the people of Arizona. In particular, the Alliance supports implementation of policies, rules, regulations and laws which ensure that the full cost of services contracted to nonprofits by federal, state and local governments are paid for by the public funds dedicated to the service.

State Fiscal Policy

The Alliance favors a balanced approach to fiscal policy which:

- Provides adequate support for public programs which are widely supported by citizens;
- Supports levels of resources for education, quality of life and public infrastructure which are necessary for the long-term economic growth and health of the nation and the state of Arizona;
- Avoid undue hardships on the most vulnerable residents of our communities to achieve budget balance;
- Addresses the state's needs comprehensively, avoiding false choices that pit one set of programs against others in a competitive framework; and
- Avoids placing restrictions on the flexibility of policy makers to address changing and vital community needs, especially those which place unfair burdens on nonprofits in their efforts to support communities and contribute to the long term economic development of Arizona.

Regulation of Nonprofits

The Alliance recognizes that nonprofits – as private organizations, but also part of civil society – are successful by earning and maintaining public trust. To that end, the Alliance supports laws, regulations and policies which promote public transparency, and strike a proper balance between the independent activities of nonprofits and the need to protect and inform the public. The Alliance opposes legislation that imposes unreasonable regulatory burdens on nonprofit organizations and stifles the ability of nonprofits to pursue and fulfill their missions, and supports regulatory reform that advances the common interests of taxpayers and nonprofits. The Alliance supports a fundraising registration system

which provides citizens a transparent means to determine whether someone asking him or her for a donation represents a nonprofit or cause which can be contacted and vetted by the donor, and protects both contributors and legitimate nonprofits from disreputable and fraudulent fundraising.

Priority 2: Protecting the Underlying Purpose of a Nonprofit

Tax Exemption

The Alliance opposes changes to the underlying exemption of nonprofit corporations from corporate income taxes at federal, state and local levels of government. Furthermore, the Alliance opposes the imposition of fees or other costs on nonprofit corporations which have the effect of removing existing exemptions for nonprofit corporations.

Governing Law for Unincorporated Associations

Many nonprofit associations in Arizona, for one reason or another, cannot or have not chosen to become a nonprofit corporation. Unincorporated nonprofit associations are the only type of organization for which Arizona has not enacted modern comprehensive governing statutes, even though there are references to such associations throughout Arizona Revised Statutes. The Alliance favors a basic comprehensive legal framework governing all unincorporated nonprofit associations formed or operating Arizona.

Priority 3: Promoting Community Support for Nonprofits

Charitable Giving

The Alliance supports tax incentives that support charitable giving by individuals, businesses and institutions. We oppose efforts to limit or eliminate such tax incentives in a way that could reduce the level of contributed income for nonprofit organizations.

Charitable Organization Tax Credit

For nonprofits serving many of our community's most vulnerable populations, Arizona's charitable tax credit (also known as the working poor tax credit) induces significant community support through individual donations. The Alliance supports continuation of this tax credit program, balanced with other fiscal and social policies at the state level which address the critical needs of these populations.

Small Raffles

The Alliance favors the expansion of the state's "small raffle" exception for political and booster clubs, allowing any charitable nonprofit to conduct a raffle not raising more than \$10,000, consistent with all other restrictions and regulations.

Priority 4: Advancing the Nonprofit Role in Advocacy

Advocacy Rights

The Alliance supports protection of the advocacy rights of all nonprofit organizations and efforts to strengthen the ability of Arizona nonprofits to engage in the public policy arena. The Alliance also supports laws and initiatives which promote and expand civic engagement of the people of Arizona, and specifically promote and expand the registration, education and participation of voters in the democratic process.

Social Welfare Organization Reform

Recent changes to the federal campaign finance regulatory environment and a subsequent dramatic increase in dollars spent to influence federal, state and local government elections are confusing the public about the role and meaning of 501(c)4 social welfare nonprofit organizations. The Alliance supports measures which clarify the proper role of 501(c)4 organizations in electoral politics, promote transparency and civic engagement, and create clear lines of differentiation between nonprofits permitted to engage in electoral activities and those that cannot. The Alliance also urges lawmakers to clearly define electoral activities in a way that distinguishes them from non-electoral activities which 501(c)3 nonprofits are permitted to undertake.

Priority 5: Maximizing Nonprofit Effectiveness

Nonprofit Innovation and Productivity

The Alliance favors federal and state laws and public policy which encourages innovative and efficient models for addressing community needs, financing nonprofit operations and promoting collaboration across the sector and between business, government, philanthropy and nonprofits.

Nonprofit Capacity Building

Governments at all levels rely on nonprofit organizations to provide critical services and programs to individuals and communities. Support for nonprofit capacity building programs is designed to promote effectiveness in the delivery of government-funded services, improve a nonprofit organization's ability to achieve its mission, and help nonprofit employers sustain themselves over time. The Alliance supports federal and state laws which provide resources to support nonprofit capacity building.

Other Issues

Service and Volunteerism

The Alliance opposes measures that would significantly reduce or eliminate funding and other incentives for national, state, local and private community service programs.

Arizona 2-1-1

The people served by Arizona's nonprofits deserve to have easy access to information about how to get help when facing a crisis or following a disaster, and how to learn more about services to meet their basic human needs. Arizona 2-1-1 is a community information and referral system that most efficiently meets that need. However, Arizona's current system is inadequately funded, puts this public service in competition for resources with the very services it supports, and fails to serve thousands of people every year who are turned away for lack of capacity. The Alliance supports a permanent dedicated funding source to maintain Arizona 2-1-1 as a valuable public service in our communities.

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